INSURANCE PROGRAM

A. LAW, REGULATION AND POLICY

1. Law

None.

2. Regulation

None.

3. Policy

Management Policies Manual, Chapter VIII
Insurance

The National Park Service will establish certain minimum types and amounts of insurance coverages required of concessioners, in order to (1) provide reasonable assurance that concessioners have the ability to cover bona fide claims for bodily injury, death or property damage arising from an action or omission of the concessioner, (2) protect the Government against potential liability for claims based on the negligence of its concessioners and (3) enable rapid repair or replacement of essential visitor facilities which are damaged or destroyed by fire or other hazard. Concessioners will not be permitted to conduct operations without liability insurance.

B. INTRODUCTION

The insurance policies, limits of coverage, and procedures that follow are those required to meet the needs of the Government and the visitor and, therefore, represent minimums to be included in the concession contract. The National Park Service will not be responsible for any omissions of coverage or any other inadequacies, including inadequate property damage coverage, that may develop as a result of activities authorized under the contract.

The need for concessioners to consult with their insurance agents cannot be over emphasized. In this regard the concessioner is to be provided a copy of this chapter and encouraged to provide its insurance agent with same as well as a copy of the insurance section of its concession authorization.

replacements and

1. Terms

Many of the terms used in this chapter are specialized to the insurance field. Rather than load the chapter with excess technical information, definitions of such terms will be found in the Glossary, Exhibit 1 to this chapter.

2. Development and Monitoring of the Insurance Program

In outline, the following steps are required:

a. Using the guidelines in this chapter, the park or regional staff establish minimum insurance requirements for a particular concession. Requirements are stated in terms of coverages (which properties and which activities are to be insured) and limits (what is the dollar amount the policy must provide for each coverage).

b. The minimum insurance requirements are inserted in the Statement of Requirements and subsequently in the contract or permit. Thereafter the contract/permit is the governing document for insurance requirements. Older contracts and permits may have requirements different from those in this edition of NPS-48.

c. Each year, 90 days prior to the start of the season or by February 1 for year round operations, the park staff initiates a Statement of Concessioner Insurance, summarizing the insurance requirements from the concession authorization. The concessioner's insurance agent(s) or corporate insurance department responds, through the concessioner, to the questions in the Statement.

d. If answers to all the questions in the Statement of Concessioner Insurance are "YES" and the park is satisfied with the concessioner's supporting documentation, the concessioner is in compliance with the NPS Insurance Program.

3. Advice and Assistance

Insurance is a complex and constantly changing field. It is not possible or desirable for this chapter to make an insurance expert of every NPS employee who deals with concessions. It is possible, however, to set forth a systematic procedure which will let employees develop a broad program of requirements and then review a report prepared by insurance professionals and determine, in most cases, whether the insurance provides adequately for the visitor and the Government. For those cases which do go beyond the ordinary and require higher levels of expertise, assistance may be obtained from the WASO Concessions Division. For very complex situations, WASO may engage the services of an insurance consultant.

4. Insurance Company Standards

In the past few years, numerous insurance companies have experienced financial difficulties and many have gone bankrupt. Because of these failures it may become necessary, in the future, to establish financial standards applicable to insurance companies. Concessioners would then be required to purchase coverage only from those companies that meet the stated standards.

C. PROPERTY INSURANCE

1. Objective

To provide a means for concessioners to fulfill their contractual obligation to repair and/or replace structures within the park which are required to serve park visitors.

2. Insurable Interest

Concessioners' contractual obligations establish an insurable interest which is required in order for an insurance company to be willing to issue a policy insuring such property to the concessioner. This insurable interest on the part of the concessioner is further emphasized in the following insurance authorities' analyses:

> Generally speaking, a person has an insurable interest in property whenever he would profit or gain some advantage by its continued existence and suffer some loss or disadvantage by its destruction.[1]

3. Required Coverages

The concession contract (See Chapter 6, Exhibit 2, Section 15, Insurance and Indemnity) requires that "The Concessioner will, in the event of damage or destruction, repair or replace those buildings, structures, equipment, furnishings, betterments and improvements and merchandise determined by the Secretary to be necessary to satisfactorily discharge the Concessioner's obligations under this contract and for this purpose shall provide fire and extended insurance coverage on both Concessioner Improvements and assigned Government Improvements in such minimum amounts as the Secretary may require."

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[1]Gwertzman, Max J., The Standard Fire Insurance Policy (New York: Roberts Publishing Corp., "The Insurance Advocate," 1963), P. 5.

To satisfy this contractual requirement, the concessioner will normally need to purchase one or more of the insurance coverages stated below. In some situations, however, the coverages listed may not be appropriate or economically feasible. Exceptions to the required coverages are discussed in subparagraph 4, and methods for providing less than full coverage are discussed in subparagraph 5.

a. FULL REPLACEMENT VALUE

Such coverage pays the cost to restore or replace the damaged or destroyed property without deduction for actual physical depreciation. This coverage or the equivalent in another form is the desired level of protection.

b. BLANKET COVERAGE

This is a form of coverage that can usually be purchased at a lower premium cost, but provides basically the same protection as Full Replacement Value Insurance.

Under blanket coverage a single limit of insurance covers more than one subject of insurance, meaning it may cover several buildings, structures and contents in addition to buildings, or combinations of these. In order to determine premium costs a statement of value of each building or structure is required. The usual coinsurance clause is 90 percent.

Following are examples for applying blanket coverage:

(1) **Example 1**

Buildings	Replacement Costs
#1	$1,000,000
#2	600,000
#3	300,000
#4	100,000
Total Value	$2,000,000
90% Insurance	$1,800,000

In the above example, a limit of $1,800,000 is applicable. This would be more than sufficient to cover a loss at any one location.

If building #1 were to be totally destroyed, and if it had been insured under a normal specific, not blanket, 90% coinsurance basis,

$900,000 would be the maximum collectible; under a blanket policy up to $1,000,000 could be recovered.

(2) **Example 2**

Blanket coverage can also be written for an amount which is less than the total property value but at least equal to the highest probable single incident loss. In the foregoing example $1,000,000 of insurance would be acceptable coverage.

Caution should be exercised when this method is used at locations where buildings are clustered and it is reasonable that more than one building could be damaged or destroyed from a single incident.

c. OTHER PROPERTY COVERAGES

In addition to Fire and Extended insurance coverage, other coverages may be applicable. These may include Boiler and Machinery, Sprinkler Leakage, Builders' Risk, Flood, Earthquake, or other special purpose insurance. Insurance limits for these special coverages are normally the same as for the basic property policy. However, where a special coverage is applicable to only one building the amount of coverage needs to equal only the replacement cost of that building. For example, if there are five buildings and one has a boiler, only the building with the boiler would need to be covered by a Boiler and Machinery Policy in the amount of the replacement cost of the building.

Only those other property coverages that are necessary under the criteria set forth below should be specified in the contract or permit. If not necessary they should be deleted from the terms and conditions of the standard contract language.

(1) **Boiler and Machinery**

Boiler and Machinery Insurance including direct damage is required when boilers and/or other machinery are utilized (See Glossary). Direct damage provides coverage on the building where damage was the direct result of a boiler accident.

(2) **Sprinkler Leakage**

Required for buildings equipped with an automatic fire protection system.

(3) **Builders' Risk**

Required when a concessioner is to undertake a building improvement program. For insurance purposes building improvement means the construction of a building or structure or a significant addition or alteration to an existing building or structure. The Builders' Risk Policy is to become effective when construction commences. Upon completion of construction the concessioner must adjust the basic Fire and Extended Insurance Policy so as to add the value of the new construction.

(4) **Flood**

Required when buildings and structures are located in an area declared eligible for such coverage by the Federal Flood Insurance Administrator. Federally subsidized coverage is available from local insurance agents for areas participating in the Flood Insurance Program that is admimistered by the Federal Emergency Management Association. For additional information call (800) 638-6620.

For areas not eligible for Federally subsidized coverage, flood insurance is available from private sources. Before requiring such coverage careful consideration is to be given to the cost and likelihood of a flood.

(5) **Earthquake**

Required when buildings are located in an area where earthquakes have occurred.

(6) **Hull**

Required for watercraft essential for transporting passengers between locations accessible only by water, e.g., ferry boats from mainland to an island.

(7) **Extension-of-Coverage Endorsement**

Required for buildings unoccupied for more than 60 consecutive days. Because concessioners use various methods for providing maintenance or otherwise caring for their property during the off season, the entire situation should be discussed jointly by the Superintendent, concessioner and his/her insurance agent prior to requiring the additional coverage.

4. Exceptions

In the situations enumerated below, it may not be appropriate to require a concessioner to purchase Full Replacement Insurance coverage.

a. HISTORIC STRUCTURES

Many of the structures used by concessioners are not only historic but are also highly complex buildings which would be prohibitive in cost to reproduce should they be destroyed. If obtainable at all, insurance premiums would be well beyond any amount which could be reasonably expected of the concessioner. Generally, an attempt to reconstruct the original structure would be contrary to existing NPS policy. For insurance purposes, NPS policy will be to require insurance in an amount sufficient to provide a standard modern building, which can accommodate the functions and capacity of the original but which does not necessarily imitate the original. If, however, in the event of a loss or partial loss it is determined that the original architectural fabric should be repaired or reconstructed, the additional cost would have to come from NPS funds.

If the existing building is located within a historic district, the design of the replacement will be subject to the NPS standards and guidelines for a structure architecturally compatible with the district. This may also require additional NPS funds.

b. JOINT USE BUILDINGS

If the concessioner occupies only a portion of a building, the remainder of which is occupied and controlled by NPS, the normal rule will be that the concessioner is not obliged to obtain property insurance. It would not be fair to require the concessioner to insure the entire structure. However, the Regional Director is authorized to require the concessioner to provide Fire Damage Legal Liability Insurance in an amount as he/she deems appropriate. (See Section D.2.b.(8) and Glossary)

c. REPLACEMENT NOT REQUIRED

If through the planning process it is determined that a building will be eliminated in the future, or if a building is so minor as not to be needed in the concession operation, insurance will not be required. The Regional Director is the approving authority. The file is to be fully documented, citing proposed or approved planning documents or equivalent justification.

A decision that replacement is not required is not the same as a "no insurance" decision, which is discussed in subparagraph 5.a.(5), below.

5. Less Than Full Coverage

a. ALTERNATIVE PLANS

In some cases, Full Replacement coverage is not available from regular insurance companies or is prohibitive in cost. In such cases, certain alternative arrangements may be approved.

(1) **Surplus Line**

Due to the obsolescence of structures, the high risk of various activities or other circumstances, concessioners may not be able to obtain insurance from regular insurance underwriters. The concessioner may insure with specialty insurance companies, normally referred to as excess and surplus line companies, that provide substandard (high risk) lines of insurance. Generally, State insurance regulations permit the agent or broker to contract for the assigned risk or fair plan only after being denied coverage by a specified number (usually three) of regular insurance underwriters.

(2) **Deductible Plans**

RD · up to 25%

This plan is used to reduce insurance premiums and in some instances is the only method of securing insurance. Insurance companies use deductibles for the purpose of limiting the frequency of claims or to minimize their exposure to losses due to such situations as limited fire suppression capabilities or possibly the construction and/or deterioration of structures.

When using a deductible, a concessioner assumes part of the risk. For example, a building may be insured at Full Replacement Value of $100,000 with a 10 percent or $10,000 deductible. The concessioner would absorb the first $10,000 in the event of damage or total loss. The amount of deductible acceptable to the National Park Service is limited to 10 percent of the full replacement value of all buildings unless a higher percentage is approved as explained in subparagraph b., below.

(3) **Self Assumption** RD. up to 25%

In situations where a concessioner has major and costly facilities and a number of lesser valued structures, the concessioner may self-assume the risk of damage to the lesser valued structures without using insurance. Self-assumption is a stronger and more preferable form of protection than no insurance because the concessioner has a definite funding plan for meeting losses if they occur. Since the net effect is much like a deductible, similar NPS rules apply. The amount of self-assumption allowed is to be expressed as a percentage of the total value of all structures and facilities and is subject to the same limits as the deductible (10% unless otherwise approved).

Approval of a deductible or self-assumption will require a demonstration from current financial statements that the working capital of the firm is sufficient to cover the self-assumed risk without resort to borrowing.

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A decision that replacement is not required is not the same as a "no insurance" decision, which is discussed in subparagraph 5.a.(5), below.

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Approval of a deductible or self-assumption will require a demonstration from current financial statements that the working capital of the firm is sufficient to cover the self-assumed risk without resort to borrowing.

(4) **Actual Cash Value**

This is a less desirable insurance coverage based upon replacement cost at the time of loss, less an amount equal to its actual physical deterioration. The concessioner may request approval of Actual Cash Value insurance by submittal of a letter describing the actions he/she has taken to obtain the preferred coverages. If financial infeasibility is claimed, the letter should include supporting financial information.

(5) **No Insurance**

If analysis of the foregoing alternatives indicates none are economically feasible, approval may be given to waive the property insurance requirement. However, prior to any waiver, the concessioner is to provide premium quotations from at least three insurance companies and an analysis of the impact of these costs on its economic viability. When insurance is waived, the National Park Service will not be obligated to repair or replace a structure. It must also be realized that no insurance on an essential structure means the Government is assuming the risk. Ability of the Government to execute that responsibility may be dependent on appropriations and is uncertain at best. If a recommendation is made not to require insurance, consideration should be given to discontinuing the use of the structure, and elimination of the operation and/or service.

b. APPROVAL AUTHORITY FOR ALTERNATIVE COVERAGES

Authority to approve the use of the alternatives is as follows: The Superintendent may approve the surplus line alternative and allowing a deductible or self-assumption up to 10 percent of building and facilities value; the Regional Director may approve allowing the deductible or self-assumption up to 25 percent of building and facilities value. The Director must approve deductibles over 25 percent, self-assumption over 25 percent, the actual cash value alternative and permitting no insurance on essential buildings because of economic infeasibility.

6. Determining Property Values

The establishment of accurate property values is essential for insurance purposes because this is the basis for determining proper policy limits.

a. Construction cost for replacement of buildings will usually be determined by the Denver Service Center Concessions Branch through use of a recognized insurance replacement cost valuation system. This will require the Superintendent to provide the DSC with a Request For Insurance Replacement Cost Estimate form (See Exhibit 2), including photographs and sketches. In addition to the form, the park should provide other pertinent facts or other special park considerations necessary to establish replacement costs. A copy of any available appraisal would also be helpful. For some very complex structures, the DSC analysis may be supplemented by outside sources. A copy of the completed request for Insurance Replacement Cost Estimate form and any drawings available should be provided to the concessioner. The concessioner can then make them available to the insurance company for safety analysis and underwriting purposes.

Building estimate forms should be submitted to DSC early in preparation of a Statement of Requirements so that final estimates can be used in preparation of the contract.

Updates of the cost estimates, using accepted construction cost indices, will automatically be provided annually by DSC, and will be provided at any other time upon request. Full reevaluation will be required only after a material change in the structure.

b. If replacement cost estimates prepared by DSC are substantially different from those prepared by the concessioner or the concessioner's insurance agent, the Superintendent should consult with the DSC to determine the reasons for the difference. The final estimate should be acceptable to both the concessioner and DSC.

c. Normally, building contents are insured as an extension of property damage policy, but some categories of furnishings may be excluded. If the excluded items are necessary to the concessioner's business, additional coverages may be required. The amount of such coverage should be determined by the concessioner and approved by the Superintendent. If there are differences of opinion as to values, consultation with an outside pricing authority will be needed. DSC is not prepared to value personal property.

d. The approved value for each structure should be listed in a separate exhibit to the contract. A sample is included in the Standard Contract Language. (See Chapter 6, Exhibit 2E.) The exhibit is to be updated at least every 3 years or more often if there is a substantial increase in value. A copy of the revised exhibit is to be forwarded to WASO, Concessions Division.

7. Required Clauses

The concessioner's Fire and Extended Insurance Policy must name the United States Government as a named insured, contain a loss payable clause and waive the "same site property replacement" requirement, if one was included. These insurance requirements are briefly discussed below:

additional

a. UNITED STATES AS NAMED INSURED

The policy is to name the United States Government and the concessioner as named insured on both Government and concessioner-owned (possessory interest) buildings "as their interest may appear." Even though the Government, technically, has no financial interest in a structure in which the concessioner has 100 percent possessory interest, it is nevertheless the legal owner and must have those rights of notification which accompany the status of the "named insured." The "as their interest may appear" clause assures that each will only be paid for its financial interest in the structure.

b. LOSS PAYABLE CLAUSE

Normally, insurance companies pay claims jointly to all named insureds. The loss payable clause requires the insurance company to pay proceeds only to the concessioner, not jointly to the Government and the concessioner. The loss payable clause applies to both concessioner-owned and Government-owned buildings. This arrangement will permit immediate expenditure of insurance funds for replacement of a damaged structure. However, concessioners will gain no possessory interest in Government structures repaired or replaced with insurance proceeds. A loss payable clause in the insurance policy similar to the following is sufficient:

"In accordance with Concession Contract No. __________ dated __________, between the United States of America and the __________ (the Concessioner) payment of insurance proceeds resulting from damage or loss of structures insured under this policy is to be disbursed directly to the Concessioner without requiring endorsement by the United States of America."

c. APPROVAL OF RECONSTRUCTION PLANS

The plans and specifications for repair or reconstruction of a structure are subject to approval of the National Park Service. (See Chapter 17 for approval procedures.)

d. WAIVER OF SAME SITE PROPERTY REPALACEMENT

Insurance policies formerly required that a structure be replaced at its original site. Most new policies omit this clause. If such a clause is included, it must be waived because long range park plans could require replacement at a new location.

D. LIABILITY INSURANCE

1. Objective

A visitor using concession facilities authorized by the National Park Service has the right to expect that the operator has the capability to pay a bona fide claim which results from the concessioner's act or omission. Insurance should be sufficient in scope to cover all potential risks and in an amount that can reasonably be expected to be awarded in the event of serious injury or death.

NOTE: The required liability coverages set forth in this section are applicable to all commercial authorizations including concession contracts, permits, commercial use licenses, historic leases and special use permits.

2. Types of Coverage

In that all liability insurance forms are not identical and each concession operation may have special circumstances, the Superintendent should consult jointly with the concessioner and his/her insurance agent to fully discuss the operation to assure that all known exposures are adequately insured. For example, minor services like tube rental may be insignificant in the overall operation, but if tubes are used for the purpose of water activities, the insurance company should be made aware of the service. However, if the types of insurance and the minimal limits of coverage required by the Service prove to be insufficient in the event of a judgment against the concessioner, the National Park Service will not be responsible for any inadequacy.

The types of coverages that need to be considered include:

a. COMPREHENSIVE GENERAL LIABILITY (COMMERCIAL GENERAL LIABILITY)

This policy is a blanket commitment to assume all responsibility of a named insured for bodily injury or property damage caused by an occurrence. It is limited only by policy conditions and exclusions. This coverage is required in every case unless equivalent coverage is provided by a special policy which covers one specific service such as a Protection and Indemnity Policy for a tour boat operation. Umbrella and/or Excess Policies can be used to augment the Comprehensive General Liability Policy. See subparagraph c, below, for further discussion. Either the "occurrence" or "claims made" forms are acceptable.

Policy forms for Comprehensive General Liability Insurance are undergoing industry-wide revision. Since the revised forms have not yet been approved in all States and since many insurance companies have not begun usage of the revised forms, three different basic policies, along with a number of variants, are in existence. These are:

(1) the current "occurrence" policy;
(2) the new "occurrence" policy; and
(3) the new "claims made" policy.

NOTE: The new "occurrence" policy and the new "claims made" policy are identical with the exception of the provisions relating to what activates or "triggers" the coverage. The chart on the following page discusses the three forms. The new terms, such as aggregate limits, are explained in subparagraph 3.a.(4) below.

b. SPECIAL POLICIES

The following coverages are applicable only in certain cases. If necessary under the criteria set forth below, they should be specified in the contract or permit. If not necessary reference to them should be deleted from the terms and conditions of the Standard Contract Language. These coverages are often provided as extensions to the Comprehensive General Liability Policy. If so covered, they do not need to be the subject of separate policies. The applicable boxes on the Statement of Concessioner Insurance should, however, be checked.

(1) **Products/Completed Operations**

This coverage is required if the concessioner sells, handles, distributes or disposes of any goods or products. A retailer can be found liable for defective merchandise, tainted canned goods for example, even though they were manufactured by someone else. The coverage is not applicable to rental equipment, which is insured under the Comprehensive General Liability Policy.

(2) **Liquor Legal Liability Coverage**

Required whenever alcoholic beverages are sold or served because the concessioner may become liable for injury or damage caused by an intoxicated person if it can be established that the alcoholic beverage sold or served by the concessioner caused or contributed to an accident. The coverage is required whether the concessioner operates a full fledged cocktail lounge or simply sells packaged beer in a grocery store. The premiums, however, will be different in each case.

(3) **Protection And Indemnity**

Watercraft are insured under either a Protection and Indemnity (P&I) Liability Policy or a Comprehensive General Liability Policy. The determination of which policy is applicable depends on the size, ownership and use of the watercraft. See Insuring Watercraft, Exhibit 3., to determine which policy should be used.

STANDARD COMPREHENSIVE GENERAL LIABILITY FORMS

	CURRENT OCCURRENCE POLICY	NEW "OCCURRENCE" POLICY	"CLAIMS MADE" POLICY
General Aggregate Limits	DOES NOT APPLY.	Applies to the sum of Medical Expense, and Damages under bodily injury and property damage for any claim. (Products/Completed Operations limits are stated separately.)	SAME AS NEW OCCURRENCE POLICY.
Products/ Completed Operations Aggregate Limits	Applies to damages for bodily injury for occurrences arising from the insured's Products/ Completed Operations. (See subparagraph 3.a.(4).)	SAME AS CIRRENT POLICY.	SAME AS CURRENT POLICY.
When Insurance Applies (coverage trigger)	Claim may be made at any time for an occurrence which was within the policy period.	SAME AS CURRENT POLICY.	Claim must be made in writing to INSURED during the policy period (a 60-day period after policy expiration is allowed for presentation of the written notice, however, the injury or damage must have occurred before the policy expiration date). (See subparagraph 3.f., below.)
Defense Costs	Are in addition to policy limits.	Usually the same but defense costs may be included in policy limits. (See paragraph 3.e., below.)	Usually the same but defense costs may be included in policy limits. (See paragraph 3.e., below.)

NOTE: Surplus Line and Excess Lines insurers' policies are not subject to State regulation, but the State does regulate their capital requirements. The National Park Service will accept any of the three standard policy forms.

If the operation includes only boat transportation and there are no activities conducted on NPS property, including ticket sales, the concessioner is likely not to have any liability exposure expect that associated with the boat. In such instances, only a Protection and Indemnity Policy may be needed.

(4) **Automobile Liability**

Coverage shall include an automobile liability policy insuring all owned, non-owned and hired vehicles. Coverage is required if vehicles are used in the operation. The need for specific policy forms will depend on the ownership of the vehicle. Concessioners should discuss this coverage with their insurance agent. Normally a separate policy.

(5) **Garage Liability**

Required for automobile service stations and repair shops. Coverage may be either a separate policy or included in the Comprehensive General Liability Policy.

(6) **Workers' Compensation**

Required of all concessioners if they have any hired employees. Always a separate policy. This is the only protection afforded employees as they are not covered under comprehensive general liability insurance.

(7) **Aircraft Coverage**

Required if aircraft are used in the operation. Minimum coverage must conform with Federal Aviation Administration requirements.

(8) **Fire Damage Legal Liability**

Coverage optional at the discretion of the Regional Director. Insurance covers the area occupied by the concessioner in joint use buildings. (See Section C.4.b. and Glossary.)

c. UMBRELLA AND EXCESS LIABILITY

(1) **Umbrella Liability Insurance**

An Umbrella Policy comes into play when the limits of the underlying (primary) coverage have been exceeded. It provides protection against catastrophic loss. It is not intended to perform as first dollar defense. The Umbrella must be supported by a sound and complete program of underlying coverage such as Comprehensive General Liability, Comprehensive

Automobile Liability and Employer's Liability plus required special coverages. Umbrella Insurance is broader in scope than underlying coverages since it covers all hazards included in the underlying insurance plus uninsured hazards (subject to a self-insured retention of generally $10,000). Umbrella coverage often provides an economical way for a concessioner to obtain the required liability limits. From the standpoint of evaluating concessioner compliance with the program, any combination of Primary and Umbrella coverage is acceptable, so long as it meets the required limits.

(2) **Excess Liability Insurance**

This insurance is similar to an Umbrella Policy in that it provides coverage in an amount above a primary Liability Insurance Policy. It differs from an Umbrella Policy in that it covers only one particular activity or extends only one Basic Policy. It may be useful when only one segment of a concessioner's operation requires high dollar limits or when the concessioner's entire operation consists of one particular high risk activity. In these cases an Excess Policy may be less costly than an Umbrella Policy. As in the case with umbrella coverage, any combination of basic and excess coverage which meets the required minimum is acceptable.

3. **Minimum Liability Coverage**

a. TERMS

To understand liability insurance, you must understand the following terms:

(1) **Per Person**

The maximum dollar amount the insurance company will pay to one injured person. This concept is generally not being used in new policies and, therefore, is not included in the Standard Contract Language.

(2) **Per Occurrence**

The maximum dollar amount the insurance company will pay for claims resulting from one accident or occurrence regardless of the number of persons injured.

(3) **Combined Single Limit (CSL)**

The maximum dollar amount the insurance company will pay for combined bodily injury and property damage resulting from the same accident or occurrence. A separate amount for each is not stated.

(4) **Aggregate**

The maximum dollar amount the insurance company will pay during the policy period regardless of the number of occurrences. Under the Current Occurrence Policy form the aggregate limit applies only to claims under the Products/Completed Operations section of the policy. The New "Occurrence" and "Claims Made" policies contain a new General and a Products/Completed Operations aggregate. The Products/Completed Operations aggregate is the same as the Current Occurrence Policy. However, General Aggregate is a new concept. It is defined as the maximum amount the policy will pay for the sum of damages for medical expenses, bodily injury and property damage arising out of all claims other than Products/Completed Operations. These limits are stated on the Certificate of Insurance as two separate amounts; Products/Completed Operations and General Aggregate. The new General Aggregate concept has serious policy implications, which are discussed at greater length in subparagraph b. (3)., below. See Exhibit 6 for sample of Certificate of Insurance for each of the policy forms.

b. BODILY INJURY

The insurance industry has no set formula for establishing the proper amount of liability coverage for a specific business. The uncertainty of the amount of an award to a claimant prevents precise estimates of reasonable limits. The National Park Service minimum liability limits shall be established as follows:

(1) **Basic**

The minimum liability limit is $300,000 per occurrence and $500,000 annual aggregate, if the policy specifies aggregate limits. Lower limits are not acceptable. These limits apply when the concessioner's exposure is such that not more than one person can reasonably be expected to be injured in any one occurrence. For example, small canoe rental and horseback riding operations.

(2) **Per Occurrence and Aggregate Limits for Higher Risks**

The NPS requirement is that there be enough per occurrence insurance to cover the number of people who might reasonably be at risk in a single incident. Although there is a difference in hazard between horseback riding and bicycle riding, they share the common characteristic that only one person is likely to be hurt in a single incident. The difference in hazard between the two activities is of importance to the insurance company and will affect not only the cost of insurance but also may affect the maximum per occurrence limits the company is willing to write. So far as the Service is concerned, however, the required per occurrence coverage is the same for either activity because the number of persons at risk (one) is the same. Determination of the number of persons at risk is a combined function of capacity and likely means of escape or avoidance of the cause of the accident. It is unlikely that all the guests in a hotel, even in the same wing, would be trapped by a fire. It is reasonable that a higher proportion of the passengers on a tour boat would be affected by an accident, and it is also reasonable that an even higher portion of rafting participants would be affected.

Using this approach we can develop Exposure Factors which are applied to capacities data to arrive at an approximation of the most probable number of Persons at Risk. We have developed a table of Minimum Limits which will provide some degree of protection against multiple claims resulting from major accidents and which will provide better Servicewide uniformity than we have had in the past. Below are listed the Exposure Factors for the various activities followed by the table of Minimum Limits:

Exposure Factors	Activities
Single Person	These are activities and services where it is likely that only one person would be injured in any one occurrence even though the danger level could be high and/or the number of participants may be many. Activities include: ski rental, golf, saddle horse, automobile service station, bicycle rental, tennis, parking lots, vending machines, roller/ice skating, swimming, scuba diving, guided hikes, fishing guide, and guided hunting. Coverage Example: $300,000 per occurrence, $500,000 annual aggregate.
Merchandise Outlet	Facilities where an undetermined but large number of people may congregate and where the potential risk is low. The number of persons at risk is based on one person per 1,000 square feet of the total sales/display floor area. Coverage Example: 2,500 square foot sales room. 2,500 square feet divided by 1,000 = 2.5 persons at risk. Using the table which follows, the minimum coverage is $500,000 per occurrence and $1,000,000 aggregate.
Low 10%	These are activities and services used by many and where it is likely that more than one person

(4) **Aggregate**

The maximum dollar amount the insurance company will pay during the policy period regardless of the number of occurrences. Under the Current Occurrence Policy form the aggregate limit applies only to claims under the Products/Completed Operations section of the policy. The New "Occurrence" and "Claims Made" policies contain a General and a Products/Completed Operations aggregate. The Products/Completed Operations aggregate is the same as the Current Occurrence Policy. However, General Aggregate is a new concept. It is defined as the maximum amount the policy will pay for the sum of damages for medical expenses, bodily injury and property damage arising out of all claims other than Products/Completed Operations. These limits are stated on the Certificate of Insurance as two separate amounts; Products/Completed Operations and General Aggregate. The new General Aggregate concept has serious policy implications, which are discussed at greater length in subparagraph b. (4)., below. See Exhibit 6 for sample of Certificate of Insurance for each of the policy forms.

b. BODILY INJURY

The insurance industry has no set formula for establishing the proper amount of liability coverage for a specific business. The uncertainty of the amount of an award to a claimant prevents precise estimates of reasonable limits. The National Park Service minimum liability limits shall be established as follows:

(1) **Basic**

***The minimum liability limit is $300,000 per occurrence. Lower limits are not acceptable. These limits apply when the concessioner's exposure is such that not more than one person can reasonably be expected to be injured in any one occurence. For example, bicycle rental and horseback riding operations.

(2) **Minimum Limits for Specific Activities*****

The NPS requirement is that there be enough per occurrence insurance to cover the number of people who might reasonably be at risk in a single incident. Although there is a difference in hazard between horseback riding and bicycle riding, they share the common characteristic that only one person is likely to be hurt in a single incident. The difference in hazard between the two activities is of importance to the insurance company and will affect not only the cost of insurance but also may affect the maximum per occurrence limits the company is willing to write. ***When the activity/ facility has a multiple participant capacity the amount of insurance required is increased in order to cover the additional exposure.*** Determination of the number of persons at risk is a combined function of capacity and likely means of escape or avoidance of the cause of the accident. It is unlikely that all the guests in a ***one floor motel,*** even in the same wing, would be trapped by a fire. It is reasonable that a higher proportion of ***guests in a four floor hotel*** would be affected by an accident, and it is also reasonable that an even higher portion of rafting participants would be affected.

Using this approach we ***have developed a table of Minimum Per Occurrence Liability Limits which will provide some degree of protection against claims resulting from major accidents and which will provide better Servicewide uniformity than we have had in the past. Below are listed the minimum liability limits for various activities and capacities.

MINIMUM PER OCCURRENCE LIABILITY LIMITS

Service/Facility/Activity	Per Occurrence Minimum Limits
Single Person Activities	$ 300,000

Golf	Saddle Horse	Parking Lot
Tennis	Guided Hikes & Hunting	Vending Machines
Swimming	Ski Rental	Ice/Roller Skating
Scuba Diving	Cross Country Skiing	Automobile Service
Bicycle Rental	Trailer Village	Showers & Laundries

Merchandise Store	
Up to 1,000 Square Feet	$ 300,000
1001 to 5,000 Square Feet	$ 500,000
5001 to 10,000 Square Feet	$1,000,000
Over 10,000 Square Feet	$1,500,000

Food Service/Cocktail Lounge*	
Up to 40 Seats	$ 300,000
41 to 60 Seats	$ 500,000
61 to 120 Seats	$1,000,000
121 to 220 Seats	$1,500,000
221 to 400 Seats	$2,000,000
Over 400 Seats	$2,500,000

*Consult State for their minimum liquor liability limits. If none, follow the above limits.

would be injured in any one occurrence but the potential risk is low. Activities include: Food service, one or two floor lodging, cocktail lounge (not including liquor liability), bath-house, mountain climbing, houseboats and other boat rentals.

Coverage Example: 100 seat dining room. 100 seats x 10 percent = 10 persons at risk. Referring to the table which follows, we find that minimum coverage is $1,000,000 per occurrence and $2,000,000 aggregate.

Medium
50%

These are activities and services used by many and where it is likely that several would be injured in any one occurrence and the potential of risk is greater than the low category. Activities include: Three or more floor lodging, land transportation (including horse wagons) and passenger/tour/boats.

Coverage Example: 48 passenger tour bus. 48 passengers x 50 percent = 24 persons at risk requiring (see following table) $5,000,000 per occurrence and $5,000,000 aggregate.

High
90%

These are activities and services where it is likely that serious injury could be inflicted on nearly all participants. Activities include: Whitewater rafting and ski lifts.

Coverage Example: 20 passenger raft. 20 passengers x 90 percent = 18 persons at risk requiring $2,000,000 per occurrence and $3,000,000 aggregate.

MINIMUM LIMITS

Persons at Risk	Per Occurrence	Aggregate
Single	$ 300,000	$ 500,000
Up to 3	$ 500,000	$1,000,000
4 to 10	$1,000,000	$2,000,000
11 to 20	$2,000,000	$3,000,000
More than 20	$5,000,000	$5,000,000

The concessioner should understand that there is no assurance that the category of risks is precise or that meeting the above minimum limits of insurance will be sufficient protection to cover claims which could arise from a single serious accident. The concessioner should consult with his/her insurance advisor for further opinion on adequacy of limits.

(3) **Limitation on acceptability of Aggregate Policies**

The concept of general aggregate coverage is new in the insurance industry but appears to be gaining acceptance in a growing number of States. The aspect which is of greatest concern is that one accident with potential for a large claim wipes out the coverage for any subsequent claims. Until such time as the insurance industry develops a pattern in the application of this concept, the following rules will apply:

(a) The National Park Service will accept policies which contain a general aggregate limit only in those States where this form of policy has been accepted by the applicable State authority.

(b) If any claims have been filed, the insured must obtain a Claims Status Report from the insurance company. The concessioner will be required to request this report periodically and to furnish a copy to the Superintendent. If at any time the Claims Status Report shows that the remaining aggregate is below the required per occurrence minimum, the affected operation will be suspended until additional coverage is obtained.

c. PROPERTY DAMAGE

Property damage limits will be no less than $25,000 per occurrence and $50,000 annual aggregate unless analysis indicates that higher coverage levels are appropriate. This may be shown as a separate limit on some Certificates of Insurance, however, on the new Certificates of Insurance, the property damage limit is included in the Combined Single Limit (see Glossary and Paragraph 3.a.(3)).

d. ADJUSTMENT OF LIMITS

The insurance industry is in a state of flux. New policy forms and concepts are being introduced rapidly. The new contract language, which is published with this version of the insurance program (See Chapter 6, Exhibit 2), gives the Secretary authority to revise insurance requirements, including minimum coverages, to keep abreast of new developments without waiting for renewal or amendment of the contract. Such revisions will be made only on a Servicewide basis, so as to assure equal treatment for all concessioners affected.

e. LEGAL FEES

Some insurance companies are including in their policies a provision called "Defense Within Limits." It provides that all legal fees will be charged against the policy limits. In a major case, legal fees could consume nearly all the funds normally available for settlement of claims. Should a concessioner present a policy containing the "Defense Within Limits" provision, the following procedures are to be followed:

(1) The reviewing office should first check with the State insurance authority to determine if the clause is allowed in the State.

(2) Consult with WASO to determine the acceptability of the provision based on the general conditions of the insurance industry and whether there is a need to increase the limits of liability to offset the legal fee provision, predicated on the Secretary's authority as discussed in subparagraph d., above.

f. ACCIDENT REPORTING REQUIREMENTS

Under the Current Occurrence and New "Occurrence" Policies a claim may be made at any time for an occurrence which occurred within the policy period. The "Claims Made" Policy, however, generally requires a claim be made in writing to the insurance company during the policy period or within a 60-day "tail period" after the policy has expired. This reporting requirement is very restrictive but the tail period may be extended if the policy is renewed with the same insurance company. Some insurance companies are requiring only that the accident be reported during the policy period and that a claim may be filed at a later date, generally within a specified time frame. This is the preferred method in that it permits time for the severity of the injury to be determined subsequent to the occurrence. Because of the importance of the time factor for filing claims and for the protection of the concessioner and visitors, concessioners should be encouraged to immediately report to their insurance company any incident that could possibly evolve into a claim at a later date.

4. Clauses

a. WAIVER OF SUBROGATION – NPS first objective to obtain

All liability policies are to specify that the insurance company shall have no right of subrogation (See Glossary) against the United States of America. If the insurance company declines to issue the waiver, the United States Government must be named as an additional insured on the concessioners liability policies. As a rule, premiums are lower under the waiver approach.

b. ADDITIONAL INSURED

The United States need not be named as an additional insured unless the insurance company declines waiver of subrogation. The governing concept is that the Government is responsible for its own acts or omissions and the concessioner is responsible for its own acts or omissions. In those cases where the Government is named jointly with the concessioner in a lawsuit only because the Government is a party to the contract, the "Hold Harmless" clause in the contract language obliges the concessioner to represent both parties in court.

5. Visitor's Acknowledgement of Risk

a. GENERAL

It has been the practice for some concessioners to require visitors to sign a liability release or insurance disclaimer prior to the visitor participating in a high risk activity. Waivers are most often used for such activities as river running and other boating activities, horseback riding and mountain climbing. Some waivers may, in effect, release the concessioner from all responsibilities in the event of bodily injury, death or loss of personal property. Some waivers also release the Government from liability. Release of the concessioner or the Government from bona fide liability for their own acts or omissions is contrary to the policy set forth at the beginning of this chapter. The legal effect the release may have on a visitor seeking claims from a concessioner as a result of bodily injury, death or the loss of personal property will vary according to individual State law. Many courts hold such waivers to be unenforceable.

b. OBJECTIVE

It is consistent with National Park Service policy for the concessioner to warn visitors of the dangers inherent in high risk activities and for visitors to assume responsibility for their own negligence. For activities which require prerequisite skills or experience, it is appropriate to require that visitors declare in writing that they possess those prerequisites. It is not consistent with National Park Service policy to require visitors to waive their right to hold concessioners or the Government responsible for bona fide negligence resulting in bodily injury, death or loss of personal property.

c. IMPLEMENTATION

Effective since January 1, 1985, concessioners are not to request or require visitors to sign a liability waiver for high risk activities. They may, however, advise visitors of the risks involved and have them sign a Visitor's Acknowledgement of Risk form (Acknowledgement) similar to Exhibit 4. When used, the following procedures and limitations are to apply:

See other April 1987

Lodging and Bathhouse (2 Per Room)

1 or 2 Floors

Up to 20 Rooms	
21 to 30 Rooms	$ 500,000
31 to 60 Rooms	$1,000,000
61 to 110 Rooms	$1,500,000
111 to 200 Rooms	$2,000,000
Over 200 Rooms	$2,500,000
	$3,000,000

3 or More Floors

Up to 20 Rooms	
21 to 30 Rooms	$1,000,000
31 to 60 Rooms	$1,500,000
61 to 110 Rooms	$2,000,000
111 to 200 Rooms	$2,500,000
Over 200 Rooms	$3,000,000
	$3,500,000

Land and Water Transportation

Car	Tram	Tour Boat
Van	Horsewagon	Boat Rental
Bus	River Runners	Fishing Guide
Jeep	Houseboat	Canoe

Up to 5 Passengers	
6 to 12 Passengers	$ 300,000
*13 to 20 Passengers (Motor Vehicles only)	$ 500,000
13 to 20 Passengers (Other Transportation)	$ 750,000
21 to 50 Passengers	$1,000,000
51 to 120 Passengers	$1,500,000
121 to 220 Passengers	$2,000,000
221 to 300 Passengers	$2,500,000
Over 300 Passengers	$3,000,000
	$3,500,000

*$750,000 coverage is available only for motor vehicles. States may have minimum limits for motor vehicles. Whichever is higher is to be used.

Mountain Climbing

Up to Party of 5	
Party of 6 to 12	$ 300,000
Party of 13 or more	$ 500,000
	$1,000,000

Ski Lifts and Tows

Surface Lifts/Tows	$ 300,000

Chair Lifts (Capacity at one time)

Up to 20 Passengers	$1,000,000
21 to 50 Passengers	$1,500,000
51 to 120 Passengers	$2,000,000
Over 120 Passengers	$2,500,000

The concessioner should understand that there is no assurance that meeting the above minimum limits of insurance will be sufficient protection to cover claims which could arise from a single serious accident. The concessioner should consult with his/her insurance advisor for further opinion on adequacy of limits.

(3) Establishing Liability Limits

Example:

Liability requirements are based on the single structure or vehicle which requires the largest limits. For example, if the concessioner's hotel consists of several buildings, the capacity of the largest building determines the required limits. For a multi-service concessioner it may be necessary to figure the limits for each service separately in order to determine which is the largest. The following example will clarify the procedure:

Service	Minimum Limits
Saddle Horse	$ 300,000
Store - 1,500 Square Feet	$ 500,000
Restaurant - 75 Seats	$1,000,000
Motel:	
Unit A - 3 Floors, 25 Rooms	$1,500,000
Unit B - 1 Floor, 20 Rooms	$ 500,000
Unit C - 2 Floors, 30 Rooms	$1,000,000
River Running (10 Passenger Maximum Capacity)	$ 500,000

In that motel Unit A requires the highest limits of insurance, the concessioner would be required to carry liability limits in the amount of $1,500,000, which covers all listed services. In some instances the concessioner may find it more economical to purchase specialized insurance separately. For example, a policy could be purchased to cover all activities except river running. That activity could be under a separate policy with limits of $500,000.

Water transportation which requires Protection and Indemnity insurance (see Section D.2.b.(3)) is an exception to the above procedure. Protection and Indemnity is always a separate coverage and its limits must be figured separately. Thus, if a concessioner operated a 200 passenger tour boat and had only a ticket office on land, he would reqiure Protection and Indemnity coverage of $2,500,000 plus Commercial General Liability of $300,000 to cover the ticket office.

(4) **Special Provisions For Use Of Aggregate Policies**

As discussed earlier, the New "Occurrence" and "Claims Made" policies contain separate per occurrence and aggregate limits. The per occurrence limit is the most the insurance will pay for a single incident and the aggregate limit is the most that will be paid during the policy term. When the per occurrence and aggregate limits are equal, it is probable that one accident with potential for a large claim would wipe out coverage for any subsequent occurrences. To preclude a concessioner from operating without coverage subsequent to a serious accident, the following rules will apply:

(a) In the event of an accident resulting in death, or serious injury where it is reasonable to assume that the liability limits could be exhausted, the concessioner must immediately purchase additional insurance. The affected operation will be suspended until additional coverage is obtained.***

(b) If any claims have been filed, the insured must obtain a Claims Status Report from the insurance company. The concessioner will be required to request this report periodically and to furnish a copy to the Superintendent. If at any time the Claims Status Report shows that the remaining aggregate is below the required per occurrence minimum, the affected operation will be suspended until additional coverage is obtained.

c. PROPERTY DAMAGE

Property damage ***liability is included in the per occurrence limits of liability in the New "Occurrence" and "Claims Made" policies and is included as a Combined Single Limit (CSL) in the Current Occurence policy. It is therefore not neccessary to state property damage as a separate coverage requirement.***

d. ADJUSTMENT OF LIMITS

The insurance industry is in a state of flux. New policy forms and concepts are being introduced rapidly. The Standard Contract Language (See Chapter 6, Exhibit 2), gives the Secretary authority to revise insurance requirements, including minimum coverages, to keep abreast of new developments without waiting for renewal or amendment of the contract. Such revisions will be made only on a Servicewide basis, so as to assure equal treatment for all concessioners affected.

e. LEGAL FEES

Some insurance companies are including in their policies a provision called "Defense Within Limits." It provides that all legal fees will be charged against the policy limits. In a major case, legal fees could consume nearly all the funds normally available for settlement of claims. Should a concessioner present a policy containing the "Defense Within Limits" provision, the following procedures are to be followed:

(1) The reviewing office should first check with the State insurance authority to determine if the clause is allowed in the State.

(2) Consult with WASO to determine the acceptability of the provision based on the general conditions of the insurance industry and whether there is a need to increase the limits of liability to offset the legal fee provision, predicated on the Secretary's authority as discussed in subparagraph d., above.

f. ACCIDENT REPORTING REQUIREMENTS

Under the Current Occurrence and New "Occurrence" Policies a claim may be made at any time for an occurrence which occurred within the policy period. The "Claims Made" Policy, however, generally requires a claim be made in writing to the insurance company during the policy period or within a 60-day "tail period" after the policy has expired. This reporting requirement is very restrictive but the tail period may be extended if the policy is renewed with the same insurance company. Some insurance companies are requiring only that the accident be reported during the policy period and that a claim may be filed at a later date, generally within a specified time frame. This is the preferred method in that it permits time for the severity of the injury to be determined subsequent to the occurrence. Because of the importance of the time factor for filing claims and for the protection of the concessioner and visitors, concessioners should be encouraged to immediately report to their insurance company any incident that could possibly evolve into a claim at a later date.

4. Clauses

a. WAIVER OF SUBROGATION

All liability policies are to specify that the insurance company shall have no right of subrogation (See Glossary) against the United States

(1) Concessioners who want to use an Acknowledgement form are to provide the Superintendent with a proposed Acknowledgement form for approval.

(2) The Regional Solicitor is to review the Acknowledgement to assure that the above objectives are met and that the Acknowledgement is compatible with State insurance laws and regulations.

E. SUPERVISION OF THE PROGRAM

1. Insurance Inspections

When loss control inspections are conducted by or for the insurance company for the purpose of assuring adherence to safety standards, a copy of the inspection report is to be furnished to the Superintendent.

When new construction is undertaken or concession facilities are being substantially renovated by the concessioner, design drawings should be sent to the respective State Fire Rating Bureau or other local rating bureau as applicable to obtain their safety and fire prevention recommendations. This service is offered free. Subsequent to the State inspection, the concessioner is to submit his plans along with the inspector's comments to the NPS review authority. (See Chapter 17.)

The insurance inspections (both the insurer's and State inspector's) can, if recommendations are followed, provide the highest possible protection to park visitors and frequently result in lower premium costs to the concessioner.

2. Updating Coverages

a. PROPERTY COVERAGE

Property values are determined at the inception of a new contract and updated annually by the Denver Service Center Concessions Branch as described in Section C.6., above. The exhibit "Building Replacement Cost For Insurance Purposes" of the Standard Contract Language (See Chapter 6, Exhibit 2/E) will need to be replaced by a new exhibit when property values change.

b. LIABILITY COVERAGE

Liability coverages normally need updating when claims have depleted the available limits below contract requirement, as described in Section D.3.b(3)(b)., above, when there is a significant change in services provided, or when the Secretary determines that there have been significant changes in the insurance industry as provided for in D.3.c., above.

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3. Evaluation Procedure

a. Ninety days prior to the start of the season, or on February 1 for year round operations, the park staff prepares Part I of the Statement Of Concessioner Insurance (See Exhibit 5) and transmits the entire Statement to the concessioner. Part I is a list of insurance requirements taken directly from the contract or permit. Required coverages are identified by placing an "X" in the appropriate box and entering the coverage amounts in the space provided. The question on Visitor Acknowledgement of Risk is answered "yes," or "no," or "not used," as appropriate.

b. Concessioners are to return the completed Statement 60 days after receipt or at least 10 days prior to the operator's seasonal opening. The Statement must be signed by the concessioner and their insurance agent(s) or corporate insurance department and accompanied by a Certificate of Insurance (See Exhibit 6). The Certificate of Insurance is proof of coverage and is issued by the insurance agent. Concessioners who purchase their insurance through more than one agent or broker will have to get from each agent/broker a Statement detailing the coverage that particular agency provides. The concessioner is then responsible for preparing an overall summary form supported by forms and Certificates of Insurance from the individual agents.

c. The purpose of requiring a Certificate of Insurance is to obtain verification on the issuing company's official form that the coverage claimed in the Statement of Insurance has been properly and officially issued. Park staff should compare the key data between the two forms. If exclusions or special endorsements are listed, they should be explained in an accompanying letter or in the applicable part of the Statement of Insurance.

d. The park is to review the completed Statement(s) and Certificate(s) of Insurance. If all answers are checked "yes" on the Statement and supported by Certificates of Insurance the concessioner's coverage is satisfactory.

e. If any questions are answered "no" or left blank, the concessioner's insurance coverage is not satisfactory. If the Statement is not received by the prescribed date, the concessioner is presumed not to have insurance coverage. The following actions by the Superintendent are required:

(1) Any service which is not covered by insurance in the amount required by the contract/permit will be suspended. If the coverage shortfall affects only a portion of the concessioner's operation, only the affected portion must be suspended.

(2) A suspended operation will be evaluated according to the Contract Compliance criteria set forth in Chapter 22 and a rating assigned accordingly.

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of America. If the insurance company declines to issue the waiver, the United States Government must be named as an additional insured on the concessioners liability policies. As a rule, premiums are lower under the waiver approach.

b. ADDITIONAL INSURED

The United States need not be named as an additional insured unless the insurance company declines waiver of subrogation. The governing concept is that the Government is responsible for its own acts or omissions and the concessioner is responsible for its own acts or omissions. In those cases where the Government is named jointly with the concessioner in a lawsuit only because the Government is a party to the contract, the "Hold Harmless" clause in the contract language obliges the concessioner to represent both parties in court.

5. Visitor's Acknowledgement of Risk

a. GENERAL

It has been the practice for some concessioners to require visitors to sign a liability release or insurance disclaimer prior to the visitor participating in a high risk activity. Waivers are most often used for such activities as river running and other boating activities, horseback riding and mountain climbing. Some waivers may, in effect, release the concessioner from all responsibilities in the event of bodily injury, death or loss of personal property. Some waivers also release the Government from liability. Release of the concessioner or the Government from bona fide liability for their own acts or omissions is contrary to the policy set forth at the beginning of this chapter. The legal effect the release may have on a visitor seeking claims from a concessioner as a result of bodily injury, death or the loss of personal property will vary according to individual State law. Many courts hold such waivers to be unenforceable.

b. OBJECTIVE

It is consistent with National Park Service policy for the concessioner to warn visitors of the dangers inherent in high risk activities and for visitors to assume responsibility for their own negligence. For activities which require prerequisite skills or experience, it is appropriate to require that visitors declare in writing that they possess those prerequisites. It is not consistent with National Park Service policy to require visitors to waive their right to hold concessioners or the Government responsible for bona fide negligence resulting in bodily injury, death or loss of personal property.

c. IMPLEMENTATION

Effective since January 1, 1985, concessioners are not to request or require visitors to sign a liability waiver for high risk activities.

They may, however, advise visitors of the risks involved and have them sign a Visitor's Acknowledgement of Risk form (Acknowledgement) similar to Exhibit 4. When used, the following procedures and limitations are to apply:

(1) Concessioners who want to use an Acknowledgement form are to provide the Superintendent with a proposed Acknowledgement form for approval.

(2) The Regional Solicitor is to review the Acknowledgement to assure that the above objectives are met and that the Acknowledgement is compatible with State insurance laws and regulations.

E. SUPERVISION OF THE PROGRAM

1. Insurance Inspections

When loss control inspections are conducted by or for the insurance company for the purpose of assuring adherence to safety standards, a copy of the inspection report is to be furnished to the Superintendent.

When new construction is undertaken or concession facilities are being substantially renovated by the concessioner, design drawings should be sent to the respective State Fire Rating Bureau or other local rating bureau as applicable to obtain their safety and fire prevention recommendations. This service is offered free. Subsequent to the State inspection, the concessioner is to submit his plans along with the inspector's comments to the NPS review authority. (See Chapter 17.)

The insurance inspections (both the insurer's and State inspector's) can, if recommendations are followed, provide the highest possible protection to park visitors and frequently result in lower premium costs to the concessioner.

2. Updating Coverages

a. PROPERTY COVERAGE

Property values are determined at the inception of a new contract and updated annually by the Denver Service Center Concessions Branch as described in Section C.6., above. The exhibit "Building Replacement Cost For Insurance Purposes" of the Standard Contract Language (See Chapter 6, Exhibit 2/E) will need to be replaced by a new exhibit when property values change.

b. LIABILITY COVERAGE

Liability coverages normally need updating when claims have depleted the available limits below contract requirement, as described in

(3) Instances of late reporting or late opening due to delayed receipt of insurance coverage will be evaluated individually depending on the Superintendent's judgment of the impact on the park and visitor and on any mitigating circumstances.

f. From time to time, during periods of nationwide insurance industry problems, WASO may issue additional guidance which will temporarily suspend the foregoing instructions.

4. Subsequent Change In Coverage

If, after the statement is completed the concessioner's policy is renewed or replaced resulting in a material change in coverage, the concessioner must notify the Superintendent, who may require a new Statement.

F. SCHEDULING FOR IMPLEMENTATION

1. Objective

It is the NPS objective that these new insurance requirements become applicable to all concessioners at the earliest practical time. The new requirements cannot, however, be arbitrarily imposed on contracts or permits executed under previous policy until such time as they come up for renewal, extension, or other amendment. All new Fact Sheets or Prospectuses are to contain these new insurance requirements, developed as follows:

2. For Renewal or New Authorizations

a. PROPERTY INSURANCE

Building replacement cost should be determined by use of the Request For Insurance Replacement Cost Estimate form while the Fact Sheet is in preparation. The values should then be included in the exhibit to the contract or permit. Decisions on other types of coverage should also be made at this time. Where new construction is contemplated, replacement values need not be set until construction is complete.

b. LIABILITY INSURANCE

To determine the coverages required and minimal limits of coverage, see Section D. above.

3. Existing Contracts/Permits (No Amendment Pending)

The following discussion will assist in interpreting the various insurance requirements found in pre-1981 concession authorizations.

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a. PROPERTY INSURANCE

(1) If the existing contract or permit requires the concessioner to provide property insurance at full replacement value, the property insurance provisions contained herein are applicable and should be followed.

(2) If the existing contract/permit contains the "prudent operator" clause, there is no uniform set of private industry practices which offer guidance. A private businessman who owns his facilities outright sometimes carries Actual Cash Value coverage, although Full Replacement Value is more common and may be required by the financing institution if there is an indebtedness. A businessman who leases facilities (most nearly comparable situation to Government ownership) sometimes pays for insurance himself (See Triple Net Lease in Glossary) and sometimes the property owner assumes responsibility.

The foregoing observations establish a supportable argument that the "prudent operator" clause means a concessioner should provide at least Actual Cash Value coverage on its own Possessory Interest improvements. So far as Government Improvements are concerned, the concessioner should be shown the benefits of ensuring continuity of operation through adequate fire and extended coverage but, in the absence of any other applicable contract provisions, not required to do so.

In a case where the concessioner increases property insurance coverage voluntarily and not as a matter of contract compliance, the Superintendent may approve any of the alternative coverages set forth in Alternative Plans, Paragraph C.5.a. Such approval will be valid until the contract/permit next comes due for amendment or renewal, at which time provisions of Paragraphs F.2.a. or F.3.a.(1) will apply.

b. LIABILITY INSURANCE

If present general liability limits are below the absolute minimum ($300,000 per occurrence, $500,000 annual aggregate, $25,000 property damage per occurrence and $50,000 annual aggregate) set forth in Paragraphs D.3.b. and c., or if Workers' Compensation and Automobile coverages are not provided where applicable, the liability coverages are below the standards which should be expected of any "prudent operator." The problem should be thoroughly explored with the concessioner and the insurance agent. If the concessioner does not agree to raise liability limits it is appropriate to seek advice and assistance as set forth in Paragraph B.3. A similar approach should be taken if limits are at or above minimum but appear inadequate in view of the size of the concession or risk involved.

see other
April 1987

Section D.3.b(4)., above, when there is a significant change in services provided, or when the Secretary determines that there have been significant changes in the insurance industry as provided for in D.3.d., above.

3. Evaluation Procedure

a. Ninety days prior to the start of the season, or on February 1 for year round operations, the park staff prepares Part I of the Statement Of Concessioner Insurance (See Exhibit 5) and transmits the entire Statement to the concessioner. Part I is a list of insurance requirements taken directly from the contract or permit. Required coverages are identified by placing an "X" in the appropriate box and entering the coverage amounts in the space provided. The question on Visitor Acknowledgement of Risk is answered "yes," or "no," or "not used," as appropriate.

b. Concessioners are to return the completed Statement 60 days after receipt or at least 10 days prior to the operator's seasonal opening. The Statement must be signed by the concessioner and their insurance agent (s) or corporate insurance department and accompanied by a Certificate of Insurance (See Exhibit 6). The Certificate of Insurance is proof of coverage and is issued by the insurance agent. ***There is, however, one exception. Where workers' compensation is obtained directly from the State Fund/Assigned risk plan it will not be listed on the insured's copy of the Certificate. The concessioner must provide a State Certificate showing that workers' compensation is provided.***

Concessioners who purchase their insurance through more than one agent/broker will have to get from each agent/broker ***or State*** a Statement detailing the coverage that particular agency provides. The concessioner is then responsible for preparing an overall summary form supported by Forms and Certificates of Insurance from the individual agents ***and the State, if appropriate.***

c. The purpose of requiring a Certificate of Insurance is to obtain verification on the issuing company's official form that the coverage claimed in the Statement of Insurance has been properly and officially issued. Park staff should compare the key data between the two forms. If exclusions or special endorsements are listed, they should be explained in an accompanying letter or in the applicable part of the Statement of Insurance.

d. The park is to review the completed Statement(s) and Certificate(s) of Insurance. If all answers are checked "yes" on the Statement and and supported by Certificates of Insurance the concessioner's coverage is satisfactory.

e. If any questions are answered "no" or left blank, the concessioner's insurance coverage is not satisfactory. If the Statement is not received by the prescribed date, the concessioner is presumed not to have insurance coverage. The following actions by the Superintendent are required:

(1) Any service which is not covered by insurance in the amount required by the contract/permit will be suspended. If the coverage shortfall affects only a portion of the concessioner's operation, only the affected portion must be suspended.

(2) A suspended operation will be evaluated according to the Contract Compliance criteria set forth in Chapter 22 and a rating assigned accordingly.

(3) Instances of late reporting or late opening due to delayed receipt of insurance coverage will be evaluated individually depending on the Superintendent's judgment of the impact on the park and visitor and on any mitigating circumstances.

f. From time to time, during periods of nationwide insurance industry problems, WASO may issue additional guidance which will temporarily suspend the foregoing instructions.

4. Subsequent Change In Coverage

If, after the statement is completed the concessioner's policy is renewed or replaced resulting in a material change in coverage, the concessioner must notify the Superintendent, who may require a new Statement.

F. SCHEDULING FOR IMPLEMENTATION

1. Objective

It is the NPS objective that these new insurance requirements become applicable to all concessioners at the earliest practical time. The new requirements cannot, however, be arbitrarily imposed on contracts or permits executed under previous policy until such time as they come up for renewal, extension, or other amendment. All new Fact Sheets or Prospectuses are to contain these new insurance requirements, developed as follows:

2. For Renewal or New Authorizations

a. PROPERTY INSURANCE

Building replacement cost should be determined by use of the Request For Insurance Replacement Cost Estimate form while the Fact Sheet is in preparation. The values should then be included in the exhibit to the contract or permit. Decisions on other types of coverage should also be made at this time. Where new construction is contemplated, replacement values need not be set until construction is complete.

b. LIABILITY INSURANCE

To determine the coverages required and minimal limits of coverage, see Section D. above.

3. Existing Contracts/Permits (No Amendment Pending)

The following discussion will assist in interpreting the various insurance requirements found in pre-1981 concession authorizations.

a. PROPERTY INSURANCE

(1) If the existing contract or permit requires the concessioner to provide property insurance at full replacement value, the property insurance provisions contained herein are applicable and should be followed.

(2) If the existing contract/permit contains the "prudent operator" clause, there is no uniform set of private industry practices which offer guidance. A private businessman who owns his facilities outright sometimes carries Actual Cash Value coverage, although Full Replacement Value is more common and may be required by the financing institution if there is an indebtedness. A businessman who leases facilities (most nearly comparable situation to Government ownership) sometimes pays for insurance himself (See Triple Net Lease in Glossary) and sometimes the property owner assumes responsibility.

The foregoing observations establish a supportable argument that the "prudent operator" clause means a concessioner should provide at least Actual Cash Value coverage on its own Possessory Interest improvements. So far as Government Improvements are concerned, the concessioner should be shown the benefits of ensuring continuity of operation through adequate fire and extended coverage but, in the absence of any other applicable contract provisions, not required to do so.

In a case where the concessioner increases property insurance coverage voluntarily and not as a matter of contract compliance, the Superintendent may approve any of the alternative coverages set forth in Alternative Plans, Paragraph C.5.a. Such approval will be valid until the contract/permit next comes due for amendment or renewal, at which time provisions of Paragraphs F.2.a. or F.3.a.(1) will apply.

b. LIABILITY INSURANCE

If present general liability limits are below the absolute minimum ($300,000 per occurrence) set forth in Paragraph D.3.b., or if Workers' "prudent operator." The problem should be thoroughly explored with the concessioner and the insurance agent. If the concessioner does not agree to raise liability limits it is appropriate to seek advice and assistance as set forth in Paragraph B.3. A similar approach should be taken if limits are at or above minimum but appear inadequate in view of the size of the concession or risk involved.

GLOSSARY

The following terms and definitions are provided to assist in understanding the insurance program. Definitions were obtained from a variety of sources although much reliance was placed on Insurance Words and Their Meanings published by Rough Notes Company, Inc.

Actual Cash Value: The cost of repairing or replacing the damaged property with other of like kind and quality in the same physical condition. A commonly used definition is: replacement cost less depreciation.

Additional Insured: A person or organization, other than the named insured, who is protected by the terms of the policy.

Agent: A member of the agent-insurance company relationship. He may represent several insurance companies and, within his contractual relationship, exercises expressed or implied authority to act for each of the companies in dealing with insureds (See Broker definition).

Agreed Amount Clause: A provision in a policy whereby the policy-holder agrees to carry a specified amount of insurance under penalty of being a coinsurer for the deficit, used in lieu of coinsurance in certain policies.

Aggregate Limits: Under a liability policy the maximum dollar amount the insurance company will pay during the policy year regardless of the number of occurrences (See General Aggregate Limits).

All Risk Policy: A policy which covers losses caused by any peril which is not excluded as contrasted to "named peril" policies which protect only against certain perils named in the policy.

Binder: A legal agreement issued either by an agent or an insurance company, to provide temporary insurance until a policy can be written. It designates the company in which the risk is bound as well as the amount, the perils insured against and the type of insurance.

Blanket Insurance: A policy that can be made to extend over more than one unit or one type of property in one location. A single contract can cover: two or more types of property in one location, one type of property in two or more locations, or two or more types of property in two or more locations. See the example Blanket Policies in Paragraph C.3.b.

Bodily Injury and Property Damage Combined: Also called Combined Single Limit (CSL). This provides a single limit of liability for injury or property damages arising out of the same occurrence. For example, a policy with a combined single limit of $500,000 could pay $300,000 for a bodily injury claim and $200,000 for a property damage claim but would not pay for any combination which exceeded $500,000.

Boiler and Machinery Insurance: Insurance against loss arising from the operations of any kind of equipment for containing pressure or generating or transmitting power. Examples include refrigeration systems, boilers, central air conditioning and heating systems and electrical generators. Four principal coverages are provided: loss on property of the insured, expediting expenses, liability for damage to property of others and liability for bodily injuries. (AUTH: Property and Liability Insurance Handbook - Long and Gregg.)

Broad Form "All States" Coverage: A form of Workers' Compensation Insurance that protects the employer if operations are in more than one State and employees are interchanged between States.

Broker: An agent for the insured and acting for the insured in arranging for and purchasing insurance contracts. The Broker usually does not represent an insurance company.

Builders' Risk Form: Indemnifies an insured for loss or damage to a building under construction. Insurance applies only during construction; a permanent policy must be written upon completion, at which time the Builders' Risk policy is cancelled pro rata.

Business Interruption: A form of indirect damage coverage under property insurance policies which protects against loss of income. The loss is determined by calculating gross earnings and subtracting non-continuous expenses. Under some types of policies, such as boiler and machinery, the coverage is called "Use and Occupancy." Business Interruption insurance is a consequential loss coverage; that is, the loss results from or is a consequence of a direct loss.

Casualty Insurance: Insurance which is primarily concerned with the loss caused by injuries to persons and legal liability imposed upon the insured for such injury or for damage to property of others.

Catastrophe: A notable disaster; a more serious calamity than might ordinarily be understood from the term "casualty." A catastrophe is a final event, usually of a calamitous or disastrous nature; a sudden calamity; a great misfortune. It is synonymous with "disaster" (Source: Black's Law Dictionary).

Certificate of Insurance: A notification of coverage issued by an insurance company which lists the coverages, limits, policy numbers and terms of the policies. It may also contain an agreement to notify the certificate holder of any changes in the policies and/or cancellations, usually within 30 days of the change or cancellation. There is a sample Certificate of Insurance at Exhibit 6 to this chapter.

Claims Made Liability Policy: Policy applies only if the claim is first made in writing against the insured during the policy period. This type of policy is currently not widely used but may be adopted by many companies in the forseeable future.

Claims Status Report: A report prepared by the insurance company showing claims filed, status of claims, and amount paid to settle claims.

Classification: The systematic arranging of properties, persons or business operations into groups or categories according to certain criteria. The purpose of such classification is to create a basis for establishing statistical experience and determining rates and to avoid unfair discrimination. The essential concept is that each risk should bear its fair share of the overall cost of expenses and losses in relationship to its own relevant expenses and hazards.

Coinsurance Clause: A requirement, in property insurance, that the insured, in order to be able to buy the insurance at a particular rate, agrees to carry at least a specified percentage (for example, 80 percent) of insurance to the value of the property at the time of loss. To the extent that the insured fails to carry this much insurance, he will not collect fully for partial losses. The amount of loss which will be paid when the specified percentage is not met will be in the same proportion as the amount of insurance bears to the amount which should have been carried. For example, assume a structure valued at $100,000 and a coinsurance requirement of 80 percent. The insured is carrying only $40,000 or 50 percent of the insurance required; in case of a $10,000 loss he would collect only 50 percent of the total loss, or $5,000. Since NPS requires full replacement coverage, or the equivalent of 100 percent coinsurance, the coinsurance clause should rarely be a concern. (Source: Property & Liability Insurance Handbook -- Long & Gregg.)

Combined Single Limit (CSL): See Bodily Injury and Property Damage Combined.

Comprehensive General Liability Policy: A policy providing broad coverage for claims made against the insured for bodily injury or property damage for which the insured may become liable and which arise out of the insured's entire business operations. The policy covers all operations known or expected at policy inception and new operations occurring during the policy term. The protection of the policy automatically tracks (1) new or changed business operations, (2) additional locations, (3) expansion of an enterprise into additional States, (4) development of new products, (5) alteration of premises, and (6) acquisition of other businesses. In short, the policy is a blanket commitment to assume under a single policy all responsibility of a named insured for bodily injury or property damage caused by an occurrence and is limited only by policy conditions and exclusions. (Source: Property and Liability Insurance Handbook -- Long and Gregg.)

Contractual Liability: Liability established by agreements between people as distinguished from liability imposed by law. The agreements may be oral or written. It is best described as an agreement under which one of the parties agrees to assume the liability of another under stipulated conditions. Easement agreements (except railroad sidetrack agreements), municipal law requirements and warranties made regarding the condition or performance of products are examples of contractual agreements covered by the policy. Other specified contractual agreements may be covered by describing them and paying a premium. (Source: Insurance Principles and Practices --- Riegel and Miller.)

Deductible: This is designed to have the policyholder participate in the loss. The amount which the insured must pay is indicated in the policy. The insurance company usually pays the entire claim and presents a bill to the insured for the deductible amount.

Difference In Conditions Insurance: A policy insuring against losses not usually covered by fire and extended coverage policies; e.g., flood, earthquake, landslide and other unusual accidental occurrences. These policies are usually written for large commercial and industrial organizations.

Direct Damage: The actual physical damage to or destruction of the covered property from fire or another insured peril. Direct damage extends to include damage when the insured peril is the proximate cause of the loss. For the proximate cause rule to apply, there must be no intervening new and independent cause of damage between the fire and the loss. Opposed to Direct Damage is Consequential loss which stems only indirectly from the fire or other disaster.

Employer's Liability: Coverage against the common law liability of an employer for injuries sustained by his employees, as distinguished from liability imposed by a Workers' Compensation law. This coverage is included in Coverage B of the Standard Workers' Compensation Policy.

Endorsement: A rider attached to and becoming part of a policy for the purpose of amplifying or modifying it. Any such modification can only become effective with the agreement of the insured unless clearly made solely for the benefit of the insured.

Excess Liability Policy: Provides coverage in an amount above a specific primary liability insurance policy. It identically follows the form of the basic policy including all exclusions. (See paragraph D.2.c.(2).)

Extended Coverage Insurance: The endorsement extends coverage beyond that of fire, lightning and removal to add the perils of windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles and smoke. The policy does not include damage from frost, ice, snow or sleet. It also excludes interior damage (unless the structure itself is opened by wind or hail) from sonic boom, electrical arcing, water hammer, and rupture of water pipes.

Fire: The word "fire" is not defined in the Standard Fire Policy but its meaning has long been established by court decisions and insurance practices to be accidental and hostile or unfriendly. Hostile or unfriendly fire is one that is in a place where the insured did not intend for it to be. For insurance purposes there must be accompanying flame to make it so qualify. A fire policy is not liable for losses caused by scorches by cigarettes, unless a flame is actually produced at the same time.

Fire Damage Legal Liability: Extends the property damage liability coverage of the general liability policy to apply to damage to scheduled structures, or portions of structures, rented or occupied by the insured, if the property is damaged by fire. Coverage extends to fixtures of the scheduled property but not to the contents. Coverage can be extended to damages by allied perils (explosion, soot and smoke) if desired. This coverage modifies the care, custody and control exclusion of the policy. May be used as an alternative way for the concessioner to insure a Government structure, especially one whose use is shared between the Government and the concessioner.

Fire Insurance: Covers direct damage from loss by fire, lightning and by removal from the premises endangered by the perils insured against except as provided by the policy. (Source: The Standard Fire Policy.)

Flood Insurance: Insurance against damage done by the rising or overflowing of bodies of water.

> Flood Insurance Act of 1968 (National): An Act establishing a basis for flood insurance as a joint venture between the private insurance industry and the Federal Government.
>
> Flood Insurers Association: A voluntary pool of property insurers formed to provide flood insurance for dwellings in specified areas in collaboration with the U. S. Department of Housing and Urban Development (HUD). This joint venture produces a market for flood coverage hitherto almost nonexistent.

Garage Liability Insurance: Is essentially for automobile service stations, dealers and repair shops and is a combination of public liability and automobile liability insurance. The policy includes premises-operations and products and completed operations hazards. The policy covers the ownership, maintenance and use of the premises and all operations necessary or incidental to such operations.

General Aggregate Limit: The maximum amount the policy will pay for the sum of damages for medical expenses, bodily injury and property damage arising out of all claims other than Product/Completed Operations. The term is applicable to the New "Occurrence" and "Claims Made" Liability Policies.

Hotel Safe Deposit Liability: The insurance company agrees to pay sums which the insured becomes legally obligated to pay by reason of liability for loss from safe deposit boxes of property deposited by guests.

Hull Insurance: A policy which covers a boat and legal liability of the owner to others arising from collision of his vessel with another.

Innkeepers Legal Liability: Hotel and motel operators are legally liable for the safekeeping of guest's property. Extent of the liability is established by various State laws. Policy insures against this liability, usually with a limit of $1,000 for any one guest, and with an appropriate aggregate limit.

Insurance Company: A Corporation chartered by State laws to operate as an insurer. These insurers may be divided into six classes: stock, mutual, insurance exchanges, Lloyd's associations, government insurers and "self-insurers." Also, an insurer may specialize in life, fire, marine casualty, property or surety.

Insurance Company Inspections: In most cases, insurance companies require on-site inspections for fire and safety for structures and operations which are insured. The company issues a report specifying deficiencies and recommendations for improvements. These could result in a lower premium when complied with. A satisfactory inspection and compliance with all recommendations is usually a prerequisite for insurance coverage.

Insurable Interest: The insured must have some pecuniary relationship to the property and must be in a position to suffer monetary loss if the property is damaged or destroyed.

Insured: The person protected by a policy of insurance and entitled to recover under its terms.

Insurer: The insurance company or other organization such as syndicates, pools or associations providing insurance coverage services.

Liability Insurance: Insurance which agrees to pay on behalf of the insured for sums he may be legally required to pay as damages. The damage may be either bodily injury or property damage or both.

Liquor Legal Liability: This is intended to provide coverage for those who sell, distribute or provide alcoholic beverages to the public. Coverage is excluded from the general liability policies but may be added by endorsement and payment of the premium. Liability imposed by various States may range from severe liability to almost no liability.

Loss Payable Clause: A condition of the policy whereby the company is directed by the insured to pay to some other person designated in the policy any loss that may be due (usually a mortgage).

Loss Prevention Program: A form of preventative medicine for the insured. Risks can be minimized through the use of a written, formalized safety program. For some risks, an established program must be in place before the insurance company will provide a policy.

Machinery Breakdown Insurance: Insurance against loss caused by the failure of machinery. This is a specialized coverage.

Monopolistic State Fund: A State-controlled and State-administered Workers' Compensation Program. Employers in the State are required to maintain their Workers' Compensation coverage with the State.

Occurrence Liability Policy: Policy applies to injuries sustained during the policy period even if a claim is filed after the policy period.

Owners and Contractors Protective Liability: This policy provides coverage against contingent liability for activities of independent contractors.

Owners, Landlords and Tenants Insurance: This is a limited liability policy covering the ownership, maintenance or use of the premises. The policy covers all operations which are necessary or incidental to the insured's operations. Coverage does not include products.

Personal Injury Liability: An additional coverage in a liability policy extending such policy to cover other than bodily injury. This would include such areas as false arrest, libel, slander, wrongful entry or eviction or other invasion of the right of private occupancy.

Product Liability: The liability a merchant or manufacturer or other insured may incur as the result of a defect in the product he has sold or manufactured.

Completed Operations is also included within the product hazard.

Property Damage: Physical damage to tangible property of others including the loss of use.

Property Insurance: The insurance against physical loss or damage to real and personal property. This insurance is first party insurance.

Protection and Indemnity Insurance: The policy provides for protection against practically all vessel maritime liability (other than that covered under the collision clause in the hull policy) incidental to the operation of a vessel. Specifically covered is liability with respect to persons, cargo, other property and expenses incurred to comply with Government regulations including fines and penalties incurred as a result of violation of law. It is customary practice to write the Protection and Indemnity Policy in the same amount insured under the companion Hull Policy.

Replacement Cost Insurance: Insurance which pays the cost to restore or replace the damaged or destroyed property without deduction for depreciation. However, in order for the insured to collect on this basis, he is usually required to actually repair or replace the damaged or destroyed structure.

Risk: This word often used to refer to the object of insurance. However, there are several definitions, all of which are valid. Some of these definitions are: (1) Chance of loss (2) Chance of gain or loss (3) Uncertainty of loss etc., etc., etc. The common denominator for all of the definitions is that Risk is the reason for purchasing insurance.

Self Insurance or Self Assumption: For this program the term is applicable to property insurance only and means the concessioner may, if approved, assume the risk of damage by having a definite funding plan for meeting losses.

Statement of Values: The total value of several locations that are insured under a Blanket Rate. The Insured is required to list the values at each location and make certain that he has insurance at an adequate level.

Subrogation: The right of recovery against any party for loss to the extent that payment is made by the insurance company. For example, the insured property is damaged by fire caused by a negligent act of a third party. The insurance company, after paying the loss, may require the insured to assign his right to proceed against the party responsible for the loss. This prevents the insured from collecting from the insurance company and recovering also from the person liable for the damage. NPS requires a subrogation clause, unless the Government is named as an additional insured, in liability policies so that the insurance company cannot make claim against the Government as a responsible third party.

Substandard or High Risk: Risks which have a greater potential for loss than the average risk. Some insurance companies consider high risk activities to include whitewater rafting and mountaineering. A further definition of a sub-standard risk is one that does not meet all underwriting requirements. Note: not all high risks are substandard.

Surplus Line: Commonly used to describe any risk or part thereof for which there was no market available to the original broker or agent. A Surplus Line company, sometimes called "non-admitted," is generally one which is allowed to write its policies subject to none or only part of the regulation imposed by the State on "admitted" companies' rates and coverages. Surplus Line companies will, however, be regulated to some degree by the laws of the particular State. Often, their policies are not supported by the State guarantee fund available to "admitted" companies.

Tail: A period of time (usually 60 days) after a "Claims Made" Liability Policy has expired in which claims must be filed in order to collect for injuries that occurred during the policy period.

Tail Endorsement: Extends the tail period or period for filing claims without time limit under a "Claims Made" Liability Policy.

Triple Net Lease: A real estate term meaning that the lessee saves and holds harmless the lessor of any liability and agrees to pay for all repairs and maintenance to the building, insurance premiums and real estate taxes. In insurance terminology, this is known as a reverse hold harmless agreement and is usually excluded from the insurance contract.

Umbrella Liability Insurance: A form of liability insurance protecting policyholders for claims in excess of the limits of their primary automobile, general liability and employers liability policies and for many claims not covered by the primary policies. This is catastrophic insurance and requires a complete program of underlying insurance since the Umbrella is not designed to act as first dollar defense (See paragraph D.2.c.(1)).

Underwriter: One who accepts or rejects risks for an insurance company. The Underwriter is an insurance company employee.

Unoccupancy: The absence of persons from a building.

Vacancy: The absence of both persons and furnishings or contents of a building.

Workers' Compensation Insurance: All States have laws that require an employer to maintain insurance to provide benefits to the employee who is injured while on the job. The benefits are paid to the employee without regard to fault and these benefits are set by the various States.

REQUEST FOR INSURANCE REPLACEMENT COST ESTIMATE

Park:________________ Concessioner:____________________ Date________

Location: ____

Structure: (Name, type) ____

Estimate based on replacement with building of similar quality and type of construction, or in cases of historic structures, with modern structures.

Is this a historic structure: YES_____ NO_____

Purpose of Structure (Percentage of space devoted to the following uses):

Lodging ______% Number of units ______ Restaurant ______% Office ______%

General Merchandise _____% Grocery _____% Stable ______% Storage ______%

Employee Housing _________% Residence _______% Other ________________

Dimensions (Also, please attach a sketch with dimensions, and photos of structure.)

No. of stories ________ Basement ________ sq. ft.

(not including basement)

Average height per story* _______ ft. Mezzanines ________ sq. ft.

Perimeter of building at ground level _______ ft. Balconies, porches, decks ________ sq. ft.

Total floor area (all floors) ________ sq.ft. Garage: attached, ________ sq. ft.
detached, ________ sq. ft.

*Top of the floor to the top of the next floor (in a stairwell, landing to landing); or top of floor to the roof eave in one story structures with minimal roof slope.

Construction Type — Percent of Building

Reinforced concrete frame or fireproof steel frame, and concrete or masonry floors and roofs (generally high-rise structures). _______%

Masonry bearing walls with wood or steel roof and floor structures. _______%

Wood frame, floor and roof structures (may have concrete floor). ______%

Metal frame, roof and walls (includes pre-engineered steel buildings). ______%

Exterior walls: ______________________________

Interior Walls and Partitions

Drywall ______
Plaster ______
Paneling ______
Masonry ______
______ ______
______ ______

Percent of walls (estimate)

Flooring

Wood ______
Carpet ______
Quarry Tile ______
Vinyl Tile ______
Slate/Stone ______
______ ______

Percent of floor, or indicate area of use

Heating

Hot Water ______
Forced Air Furnace ______
Wall or Floor Furnace ______
Steam ______
Electric, cable or baseboard ______
Solar ______

Heating and Cooling

Package AC (short ductwork) ______
Warm and cool air (zoned) ______
Hot and chilled water (zoned) ______
Heat pump system ______
Individual thru-wall heat pumps ______
Swamp coolers ______

Bathrooms (number of)

Full bath ______# 3/4 bath ______# 1/2 bath ______#

Distance from contractors capable of reconstructing ______; ______
(Miles) (City)

Other Information (Briefly describe below or on separate page)

Fire Extinguishing System (Sprinkler)
Elevator: hydraulic or electric, number of stops, capacity, speed
Kitchen (in housekeeping units, dorms, etc.): number of and description
Stables: describe stalls, storage, offices, etc.
Marina: type of construction, pilings, square footage of docks and slips
Service Stations: type (electric or mechanical) and number of pumps/dispensers, size of tanks
Other items affecting the cost of the structure

Park contact, if additional information is necessary

Name ______________________________
Title ______________ Phone ______________

Please Provide: Photographs of structure
Sketch of entire structure, with dimensions

INSURING WATERCRAFT

Watercraft are insured under either a Protection and Indemnity (P&I) Liability Policy or a Comprehensive General Liability Policy. This table illustrates the use of the two policies:

Length	Use	Required Coverage
26 feet and over	Any	P&I Policy.
Less than 26 feet (owned)	Any	Must be listed on Comprehensive General Liability Policy or have a P&I Policy.
Less than 26 feet (non-owned)	Carrying persons for a fee	Must be scheduled on Comprehensive General Liability Policy or have a P&I Policy.
Less than 26 feet (non-owned)	Not carrying persons for a fee	Included in standard General Liability Policy. Need not be listed separately.
Rented Items (tubes, rafts, snorkeling, equipment, etc.)	In water	Included in Comprehensive General Liability Policy. Need not be listed separately.

VISITOR'S ACKNOWLEDGEMENT OF RISK

(SAMPLE)

I recognize that there is an element of risk in any adventure, sport or activity associated with the outdoors. I am also fully cognizant of the risks and dangers inherent in ____(activity(s))____. Knowing of the inherent risks, (may include specific risks) dangers and rigors required of said activity(s), I certify that I am and my family, including minor children, are fully capable of participating in the said activity(s). Therefore, I assume full responsibility for myself, my family, including minor children, for bodily injury, death and loss of personal property and expenses thereof as a result of my negligence or the negligence of my family participating in said activity(s).

I possess at least the following qualifications, which I understand are prerequisites to participate in this activity:

a. ________________________ b. ________________________

Name of Participants:

Self ________________________

Spouse ________________________

Minor Children ________________________

____

I have read, understand and accept the terms and conditions stated herein and acknowledge that this agreement shall be effective and binding upon the parties during the entire period of participation in the said activity(s).

Parent/Guardian ________________________

Customer Signature ________________________ Date ____________

NOTE: Form may be modified to provide for the signature of each individual member of a group.

C3819(680)

MAY 4 1994

Memorandum

To: All Regional Directors

From: Acting Associate Director, Operations Sgd/Michael V. Finley

Subject: Revised Visitor Acknowledgement of Risk Form

The Concessions Guideline, NPS-48, in Chapter 23, includes a Visitor's Acknowledgement of Risk (VAR) form that we issued January 29, 1993. The memorandum transmitting the VAR stated that the form is the only one that is to be used by concessioners.

In the past year we have received comments from concessioners, insurance industry representatives, and lawyers. After considering their comments we have modified the VAR. Revisions include changing the wording so that the entire form is speaking in the "first person." To reinforce the intent the VAR addresses, we inserted "inherent" in front of the word "risk" wherever "risk" appears. The fourth paragraph wording has been expanded to clarify that the individual has responsibilities to determine if he/she is qualified to participate in the activity. In addition, the participant is put on notice that the concessioner has been available to answer questions about physical requirements, risks and the like. The listing of qualifications for the activities has been eliminated because some felt that such a list is impractical and in many situations impossible to identify, particularly when more than one recreation activity is involved. We also made other minor changes.

In that concessioners may have already had the form issued last year printed, concessioners may either use that form or the attached form.

Prior to 1995, depending on your comments, we will determine the future use of either or both forms.

Attachment

cc: John Shilling, USDA-Forest Service
Gary Marsh, DOI-Bureau of Land Management
Bruce Brown, DOI-Bureau of Reclamation

VISITOR'S ACKNOWLEDGEMENT OF RISKS

In consideration of the services of ___________ their officers, agents, employees, and stockholders, and all other persons or entities associated with those businesses (hereinafter collectively referred to as "_____") I agree as follows:

Although ___________ has taken reasonable steps to provide me with appropriate equipment and skilled guides so I can enjoy an activity for which I may not be skilled, ___________ has informed me this activity is not without risk. Certain risks are inherent in each activity and cannot be eliminated without destroying the unique character of the activity. These inherent risks are some of the same elements that contribute to the unique character of this activity and can be the cause of loss or damage to my equipment, or accidental injury, illness, or in extreme cases, permanent trauma or death. ___________ does not want to frighten me or reduce my enthusiasm for this activity, but believes it is important for me to know in advance what to expect and to be informed of the inherent risks. The following describes some, but not all, of those risks.

[description of risks]

I am aware that ___________ entails risks of injury or death to any participant. I understand the description of these inherent risks is not complete and that other unknown or unanticipated inherent risks may result in injury or death. I agree to assume and accept full responsibility for the inherent risks identified herein and those inherent risks not specifically identified. My participation in this activity is purely voluntary, no one is forcing me to participate, and I elect to participate in spite of and with full knowledge of the inherent risks.

I acknowledge that engaging in this activity may require a degree of skill and knowledge different than other activities and that I have responsibilities as a participant. I acknowledge that the staff of ___________ has been available to more fully explain to me the nature and physical demands of this activity and the inherent risks, hazards, and dangers associated with this activity.

I certify that I am fully capable of participating in this activity. Therefore, I assume and accept full responsibility for myself, including all minor children in my care, custody, and control, for bodily injury, death or loss of personal property and expenses as a result of those inherent risks and dangers identified herein and those inherent risks and dangers not specifically identified, and as a result of my negligence in participating in this activity.

I have carefully read, clearly understood and accepted the terms and conditions stated herein and acknowledge that this agreement shall be effective and binding upon myself, my heirs, assigns, personal representative and estate and for all members of my family, including minor children.

______________________________ ______________________
Signature Date

Signature of Parent of Guardian, if participant is under 18 years of age

______________________________ ______________________
Signature Date

May 1994

LETTER TRANSMITTING STATEMENT OF CONCESSIONER INSURANCE

SAMPLE

Dear Concessioner:

The National Park Service has adopted a new and, we believe, more understandable method to evaluate your compliance with the insurance requirements of your concession contract or permit.

Enclosed is a two part Statement of Concessioner Insurance. Part I has been completed showing the services you provide and the insurance coverages you must have. Part II is to be completed by your insurance agency or your corporate insurance department. This Statement will provide both you and us with a clearer understanding of your insurance program without the need to review all the clauses of an entire policy. Also, it helps tell your insurance agency what insurance the National Park Service requires you to have, including special clauses.

If you have liability insurance exceeding your contract/permit requirements the higher amount will not be releasable to the public in accordance with the Freedom of Information Act (5 USC §552(b)(4)).

Please forward the Statement to your insurance agency or your company's insurance department for completion and return it to this office along with your Certificate(s) of Insurance by ____________________. If your coverage is through more than one agency, a separate Statement should be prepared by each agency and attached to a consolidated Statement prepared by you listing all of your coverages. You need only to sign the consolidated Statement. The park can supply you with additional blank forms.

If the policy(s) is renewed or replaced resulting in a material change in coverage subsequent to completing the attached Statement, you are contractually required to notify this office.

If you have any questions regarding the Statement, please do not hesitate to call. Thank you for your cooperation.

Sincerely,

Superintendent

Enclosure

NATIONAL PARK SERVICE

STATEMENT OF CONCESSIONER INSURANCE

______ (Operating Year)

PART I

(to be completed by the park staff)

A. ______ (Concessioner) ______ (Park) ______ (CONCID)

B. SERVICES PROVIDED:

Lodging	___	Aircraft	___	Horse Opns	___	Swimming	___
Food Service	___	Marina	___	Fishing Guide	___	Campground	___
Cocktail Lounge/Bar	___	Boat Rental	___	Land Transport	___	Ski Opns	___
Package Liquor	___	Equipment Rental	___	Water Transport	___	Other	___
Package Wine/Beer	___	River Runner	___	Trailer Village	___	Other	___
Merchandise	___	Guide/Outfitter	___	Medical/Dental	___	Other	___
Auto Svc/Gas	___	Mountain Climbing	___	Bicycle Rental	___	Other	___

Description of "Other" Services: ______

THE FOLLOWING INSURANCE COVERAGES ARE REQUIRED BY THE CONCESSIONER'S CONTRACT/PERMIT

C. PROPERTY INSURANCE

1. Fire and Extended Coverage or Equivalent:

☐ Required in the Amount of $______

☐ Required as set forth in the attached contract exhibit

☐ Not Required

2. Additional coverages required in the same amount as the Fire and Extended Coverage unless otherwise specified:

☐ Boiler/Machinery	$______	☐ Earthquake	$______
☐ Sprinkler Leakage	$______	☐ Hull	$______
☐ Builders' Risk	$______	☐ Extension of Coverage	$______
☐ Flood	$______	☐ ______	$______

3. Required Policy Terms:

a. Coverage must be for **Full Replacement Value** unless one of the following boxes is checked:

☐ The following less than full replacement coverage has been approved by appropriate National Park Service authority: ______

☐ For this contract, prepared prior to May 1981, Actual Cash Value is acceptable.

b. ☒ Both the United States and the concessioner must be named insureds "as their interests may appear."

c. ☒ The policy must contain a **Loss Payable Clause** which requires the insurance company to pay proceeds to the concessioner, not jointly to the concessioner and the Government.

D. LIABILITY INSURANCE

Liability coverage may be provided in any combination of basic policy and Umbrella or Excess coverage. It must encompass all the services listed in Part IB, above.

1. Minimum required limits are:

$________________ Per Occurrence

$________________ Aggregate

2. The following additional liability coverages must be provided, either in the basic policy, by endorsement or by separate policies. The limits must be the same as those required in Item 1 unless a different amount is set forth below:

☐ Product Liability ☐ Garage

☐ Liquor Legal Liability ☒ Workers' Compensation

☐ Protection and Indemnity (Watercraft) $__________ ☐ Aircraft $__________________

☐ Automobile ☐ Other

3. Required Policy Terms:

a. ☒ The policy(s) must specify that the insurance company shall have no right of subrogation against the United States or must include the United States as an additional insured. If a claim is filed, the concessioner must periodically provide NPS a copy of the Claims Status Report.

E. ACKNOWLEDGEMENT OF RISK

If the concessioner requires the public to sign a form limiting liability of any party or acknowledging the risk of the activity, has the form been approved by the National Park Service?

YES ____ NO ____ Form Not Used ____

If there are questions you may contact the following member of the Park Staff:

______________________________ Phone ____________________

• END OF PARK SECTION •

PART II

(To be completed by concessioner's insurance agent or corporate insurance department. Certificate(s) of Insurance evidencing all listed coverages must be attached.)

A. PREPARING AGENCY AND ADDRESS ______

Contact Person ______

Telephone ______

B. PROPERTY INSURANCE (Do not use if "Not Required" was checked in Part I.)

1. Underwriter ______ Policy Expires ______

2. Fire and Extended Coverage is provided: ☐ in the amount shown in the contract exhibit
☐ in the amount of $______

Form: ___ Full Replacement Value ___ Actual Cash Value
___ Blanket Coverage ___ Other (Explain: ______)

3. The following additional property coverages are provided in limits at least equal to the basic policy unless different amounts are shown in Part I.C.2.

Use spaces to explain if limits, underwriter or expiration date are different from basic policy:

☐ Boiler/Machinery ______ ☐ Earthquake ______
☐ Sprinkler Leakage ______ ☐ Hull ______
☐ Builders' Risk ______ ☐ Extension of-Coverage ______
☐ Flood ______

4. The United States is listed as a named insured: YES ___ NO ___

5. A Loss Payable clause is included: YES ___ NO ___

6. The "same site" replacement clause is eliminated: YES ___ NO ___

7. The foregoing coverages meet the requirements for Property Insurance as set forth in Part I.C.: YES ___ NO ___

If NO, explain: ______

C. LIABILITY INSURANCE

1. Underwriter ______________________ Policy Expires __________

2. Basic Coverage	Bodily Injury Per Occurrence	Bodily Injury Aggregate	Property Damage
	$______	$______	$______
☐ Umbrella ☐ Excess	$______	$______	$______

Type Policy: ☐ Current Occurrence ☐ "New" Occurrence ☐ "Claims Made"

3. Defense costs: ☐ Within Limits ☐ Not Within Limits

If Within Limits, does State approve? YES ____ NO ____

4. Are all services listed in Part I.B. covered? YES ____ NO ____

If NO, list exceptions: ______________________

5. The following additional coverages are provided, in the amount of the basic coverage unless a different amount is stated below:

Explain if limits, underwriter or expiration date are different from basic policy:

☐ Product Liability $______ ______________________

☐ Liquor Liability $______ ______________________

☐ Protection and Indemnity (Watercraft) $______ ______________________

☐ Automobile $______ ______________________

☐ Workers' Compensation $______ ______________________

☐ ______________ $______ ______________________
(Use for aircraft, garage, or other)

6. The subrogation clause required in Part I.D. is included or the United States is named as an additional insured. YES ____ NO ____

7. If a claim is filed, the NPS will be provided copies of Claims Status Reports. YES ____ NO ____

8. The foregoing coverages meet all the requirements for Liability Insurance set forth in Part I.D.: YES ____ NO ____

If NO, explain: ______________________

D. NOTIFICATION:

The National Park Service will be provided 30 days advance notice of any material change in the concessioner's insurance program. YES ____ NO ____

For the Insurance Representative:

______________________ (Signature)

______________________ (Title)

______________________ (Date)

This statement has been examined and to the best of my knowledge the coverages provided meet or exceed the National Park Service Requirements.

______________________ (Concessioner)

______________________ (Date)

acord CERTIFICATE OF INSURANCE

PRODUCER

Your Insurance Company
1452 Your Street
Your City, State 22036

ISSUE DATE (MM/DD/YY)

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	Mutual Insurance Company
COMPANY LETTER B	Fidelity Insurance Company
COMPANY LETTER C	General Insurance Company
COMPANY LETTER D	
COMPANY LETTER E	

INSURED

Green River Concessioner
Green River National Park
Green River, Utah 22036

COVERAGES

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH POLICIES.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIABILITY LIMITS IN THOUSANDS	EACH OCCURRENCE	AGGREGATE
A	**GENERAL LIABILITY** X COMPREHENSIVE FORM X PREMISES/OPERATIONS ☐ UNDERGROUND EXPLOSION & COLLAPSE HAZARD X PRODUCTS/COMPLETED OPERATIONS ☐ CONTRACTUAL ☐ INDEPENDENT CONTRACTORS ☐ BROAD FORM PROPERTY DAMAGE ☐ PERSONAL INJURY X Liquor Legal Liab.	AC 1021-1753791	1/1/87	1/1/88	BODILY INJURY	$ 300	$ 500
					PROPERTY DAMAGE	$ 25	$ 25
					BI & PD COMBINED	$	$
					PERSONAL INJURY		$
B	**AUTOMOBILE LIABILITY** X ANY AUTO ☐ ALL OWNED AUTOS (PRIV. PASS.) ☐ ALL OWNED AUTOS (OTHER THAN PRIV. PASS.) X HIRED AUTOS X NON-OWNED AUTOS	AU 321965	1/1/87	1/1/88	BODILY INJURY (PER PERSON)	$	
					BODILY INJURY (PER ACCIDENT)	$	
B	X GARAGE LIABILITY	AU 32966	1/1/87	1/1/88	PROPERTY DAMAGE	$	
					BI & PD COMBINED	$ 500	
	EXCESS LIABILITY X UMBRELLA FORM ☐ OTHER THAN UMBRELLA FORM	UM 3695-01231	1/1/87	1/1/88	BI & PD COMBINED	$1,000	$ 5,000
	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY	86 W87 205102	1/1/87	1/1/88	STATUTORY X		
						$	(EACH ACCIDENT)
						$	(DISEASE-POLICY LIMIT)
						$	(DISEASE-EACH EMPLOYEE)
C	**OTHER** *Fire	EP 87-56312	1/1/87	1/1/88			

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS Watercraft exclusion deleted, Waiver of Subrogation against the U.S. Government included. *U.S. Government named insured. (Restaurant, Hotel Gas Station, Boat Rental)

CERTIFICATE HOLDER

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

ACORD 25 (8/84)

New Form

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER

Your Insurance Company
1452 Your Street
Your City, State 22036

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	Mutual Insurance Company
COMPANY LETTER B	Fidelity Insurance Company
COMPANY LETTER C	General Insurance Company
COMPANY LETTER D	
COMPANY LETTER E	

INSURED

Green River Concessioner
Green River National Park
Green River, Utah 22036

COVERAGES

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH POLICIES.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	ALL LIMITS IN THOUSANDS
A	GENERAL LIABILITY [ ] COMMERCIAL GENERAL LIABILITY [X] CLAIMS MADE [ ] OCCURRENCE [ ] OWNER'S & CONTRACTOR'S PROTECTIVE [X] Liquor Legal Liab.	AC-1201-571-19723	1/1/87	1/1/88	GENERAL AGGREGATE $ 500 PRODUCTS-COMP/OPS AGGREGATE $ 500 PERSONAL & ADVERTISING INJURY $ EACH OCCURRENCE $ 300 FIRE DAMAGE (ANY ONE FIRE) $ 25 MEDICAL EXPENSE (ANY ONE PERSON) $
A	AUTOMOBILE LIABILITY [X] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [X] HIRED AUTOS [X] NON-OWNED AUTOS [X] GARAGE LIABILITY	AM-397823-87 AU 32966	1/1/87 1/1/87	1/1/88 1/1/88	[illegible] $ 500 BODILY INJURY (PER PERSON) $ BODILY INJURY (PER ACCIDENT) $ PROPERTY DAMAGE $
B	EXCESS LIABILITY [X] Umbrella [ ] OTHER THAN UMBRELLA FORM	UM 3695-0231	1/1/87	1/1/88	EACH OCCURRENCE $ 1,000 AGGREGATE $ 5,000
	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY	86-W-87-205102	1/1/87	1/1/88	STATUTORY $ 100 (EACH ACCIDENT) $ 100 (DISEASE-POLICY LIMIT) $ 100 (DISEASE-EACH EMPLOYEE)
C	OTHER *Fire Protection and Indemnity	FP 87695-375 WC 79312-6895	1/1/87	1/1/88	$300,000/$500,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS U.S. Government named as an additional insured. *U.S. Government is a named insured. (Restaurant, Hotel, Boat Rental)

CERTIFICATE HOLDER

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

ACORD 25-S (11/85)